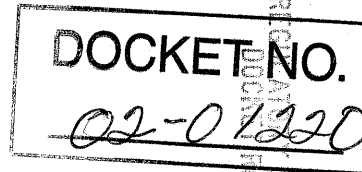


ON-SITE SYSTEMS, INC.
A PUBLIC UTILITY CO.

November 6, 2002

Honorable Sara Kyle
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505



RE: Petition to amend Certificate of Convenience and Necessity

Dear Chairman Kyle:

On-Site Systems, Inc. desires to decrease the monthly residential sewer charge from \$36.67 to \$35.11. The attached petition is in support of our request.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles Pickney, Jr.".

Charles Pickney, Jr., President
On-Site Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733
(615) 356-7294 Fax (615) 356-7295

OK# 1009 \$15.00
PAID
11/12/02

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____, 2002

**IN RE: PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY**

DOCKET No. _____

Petition of On-Site systems, Inc.
to amend its Certificate of Convenience and Necessity

On-Site Systems, Inc. ("On-Site") petitions the Tennessee Regulatory Authority ("TRA") to amend On-Site's Certificate of Convenience and Necessity by modifying Tariff sheet 2-A.

We propose that the rate shown for Oakwood Subdivision in Maury County be changed from \$36.67 to \$35.11. This change is based on the action of the Maury County Planning Commission (eliminating the bonding requirement on that subdivision, see attached minutes).

The established rate for a system with watertight effluent collection, sand-gravel treatment and subsurface drip disposal is \$35.11

Respectfully submitted,



Charles Pickney Jr., President
On-Site Systems, Inc.

On-Site Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

System	Monthly Charge
Oakwood Subdivision – Maury County – Proposed	\$35.11
Southridge Subdivision – Montgomery County	\$19.38 + act cost
Swan Harbor – Roane County	\$35.11
River Road Utility District – Cheatham County	\$31.15
Milcrofton Utility District – Williamson County	\$37.21
Tall Oaks Subdivision – Blount County	\$35.11
Yoakum Hollow Dev. (Windsor Pt) – Campbell County	\$35.11
Shreibman Development – Cannon County	\$35.11
Cornerstone of Mitchell Creek – Overton County	\$35.11
Bolton Area – Shelby County	\$32.68
Ussery #1- Sevier County	\$35.11
Harbor Pointe – Dekalb County	\$35.11
Hidden Springs Resort – Sevier County	\$35.11
Eagle Crest Development – Sevier County	\$35.11
Legacy Bay – Hawkins County	\$35.11
Dollywood Project – (Dream Catcher Ridge) - Sevier County	\$35.11
Homestead Suddivision – Sevier County	\$35.11
Rice Property – DeKalb County	\$35.11
East Stewart – Stewart County	\$30.98 – Lagoon \$35.11 – Sand Gravel Filter

On-Site Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

Jackson Bend Subdivision – Blount County	\$35.11
Browning Subdivision – Knox County	\$35.11
City of Coopertown - Robertson County - Lagoon - Sand-Gravel Filter	\$30.98 + 3% Franchise fee \$35.11 + 3% Franchise fee
Eagle Springs – Sevier County	\$35.11
Horseshoe Bend – Bedford County	\$35.11
Eagle Crest II	\$35.11
The Highlands – Sevier County	\$35.11
Falling Waters – Sevier County	\$35.11

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr

MAURY COUNTY REGIONAL PLANNING COMMISSION**Monday, September 6, 2001****Minutes**

A meeting of the Maury County Regional Planning Commission was held on Monday, September 6, 2001, at 5:30 p.m. in the large conference room located on the third floor of the Courthouse Square Building. With a quorum being present, Chairman Cyril Evers called the meeting to order. The following members were in attendance:

Rick Alexander
Dewey Gray

Eugene Bond
Earl Moore

Jerry Erwin*
Joe Reischman*

Cyril Evers
Patty Trousdale

Commission member Jim Baker was absent.

*Due to meeting conflicts between the County Commission's Administration Committee and the Planning Commission, members arrived late.

Staff present:

Art Brown, State Planner, Tennessee Department of Economic & Community Development
Mike Delvizi, Consulting Engineer, Stantec Consulting
J. P. Hatch, Director, Maury County Building & Zoning Office
Pam Gottshall, Zoning Coordinator, Maury County Building & Zoning Office

A listing of applicants, engineers, surveyors, and citizens attending the meeting is recorded with these Minutes as filed in the Building & Zoning Office.

Approval of Minutes – The Minutes of the Planning Commission's meeting held on August 6, 2001, were mailed to each member for review and consideration. With there being no corrections or additions to the Minutes, a motion was made by Mr. Earl Moore to approve the Minutes as mailed. Mrs. Patty Trousdale seconded and the motion unanimously carried.

APPLICANT: Roy Cochran – Mr. Cochran presented an application requesting approval of an 8-Lot Final Subdivision Plat (Loveless Valley) utilizing two 50' permanent easements (Anderson Lane and Luvenia Lane). The property, located off U. S. Highway 50 West (Williamsport Pike), is more particularly identified as being Parcel 21 on Tax Map 36.

On behalf of the staff, Mr. Mike Delvizi reported that the staff's recommendation was to approve Mr. Cochran's final plat subject to the following:

- 1) Driveway permit approvals be received from the Tennessee Department of Transportation (TDOT) from the subdivision's three access points of 1) Anderson Lane, 2) Luvenia Lane, and 3) Private Driveway (Lot #8) onto the Williamsport Pike. Copies of permits should be submitted to the Building & Zoning Office.
- 2) In regard to the construction of the easement, engineered calculations provide for riprap and ditching on the inlet/outlet of culverts on easement. Both sides of culverts must have installed riprap and must be inspected and approved by both Maury County and the TDOT. Additional work may be required after inspection by Maury County and the TDOT.

**MAURY COUNTY REGIONAL PLANNING COMMISSION
MINUTES – September 6, 2001**

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With there being no further discussion, a motion was made by Mr. Moore to approve the Final Subdivision Plat subject to the above-outlined conditions. Mr. Rick Alexander seconded and the motion unanimously carried.

APPLICANT: Elmore Nazarene Church – Mr. David Taylor, on behalf of the Elmore Nazarene Church, presented a Final Site Plan to allow for the addition of classroom facilities and a future addition to the sanctuary. The property, located at 5984 Dog Creek Road, is more particularly identified as being Parcels 13 and 14 on County Tax Map 6.

With all comments having been satisfactorily addressed, a motion was made by Mr. Alexander to approve the Final Site Plan as presented. Mr. Dewey Gray seconded and the motion unanimously carried.

APPLICANT: Colonial Meadows Church for Christ – Mr. Rob Frere, Architect, on behalf of Colonial Meadows Church for Christ, presented an application requesting approval of a Final Site Plan to allow for the establishment and operation of a church facility. The property (12.25 acres), located at 792 Mooresville Pike, is more particularly identified as being Parcel 82 on County Tax Map 114.

On behalf of the staff, Mr. Delvizi reported that it was the staff's recommendation to approve the Final Site Plan subject to the following:

- 1) Mailbox and driveway notes should be added to page C1-1 as follows:

Mailboxes and other structures on a County or State Right-of-Way shall be no larger than a single 4" wood post or a single 2" diameter metal post embedded no more than 24" into the ground.

When driveway pipes and cross drains are constructed, said driveway pipes and cross drains for Mooresville Pike shall have headwalls with the top of concrete not exceeding 4" above road level.

- 2) Correct typographical error on sheet C1-1 – 692 Contour should be amended to read 702.
- 3) Culvert under the driveway is to be RCP pipe not CMP.
- 4) Storm water is to be collected before reaching Mooresville Pike. Two options are: (1) Install two catch basins at the driveway culvert or (2) install curb cuts on each side of the driveway with concrete ditch or flume to the existing concrete ditch. (Provide revised plans with details for approval prior to starting construction.)

With Mr. Frere acknowledging his understanding of the necessary corrections and/or additions and with there being no further discussions, a motion was made by Mr. Alexander to approve the Final Site Plan subject to the above conditions. Mr. Moore seconded and the motion unanimously carried.

APPLICANT: NU2U, L. L. C. – Application withdrawn until later date.

**MAURY COUNTY REGIONAL PLANNING COMMISSION
MINUTES - September 6, 2001**

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APPLICANT: On-Site Systems, Inc. - Mr. Charles Pickney spoke to the Planning Commission requesting that the requirement of submitting yearly a \$100,000.00 letter of credit for the construction and operations of the sewer system serving Section 3 and 4 of the Oakwood Subdivision for approval be eliminated.

Beginning his presentation, Mr. Pickney explained that development of the system was complete with all infrastructures being installed. With the bond initially being established for the protection of customers being served by the sewer system because the system was new and On-Site Systems was a young company, Mr. Pickney emphasized that the company has grown from a start-up company to a substantial public utility company with over \$840,000.00 in net assets. With an impressive track record (the State of Tennessee has approved 21 service areas for On-Site), Mr. Pickney emphasized that the company is financially sound and profitable, having no capital debt.

Mr. Pickney further reviewed current sewer rates paid by customers explaining that his company, a public utility company, was regulated by the Tennessee Regulatory Authority. With residents paying a sewer bill of \$36.67 each month and with \$10.13 of this amount being deposited into an escrow account set aside to cover maintenance expenses, Mr. Pickney emphasized that the escrow account was monitored by the Tennessee Regulatory Authority.

Mr. Pickney respectfully requested the Commission's consideration to eliminate On-Site's requirement of submitting, on a yearly basis, a \$100,000.00 Letter of Credit for construction and operations of the private sewer system. Mr. Pickney further requested that should this approval not be granted, that the Commission extend the submittal of a \$100,000.00 Letter of Credit from yearly intervals to that of three-year intervals. In conclusion, Mr. Pickney advised the Commission that of the 21 systems operated throughout the State of Tennessee, with exception to Maury County and one other community, bonds are not required.

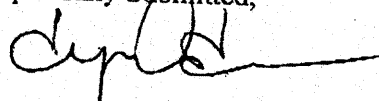
Much discussion followed on issues concerning monthly costs assessed to customers (best and worst case scenarios), protection to customers if On-Site fails, repair and maintenance of system, bonding rates, etc.

Concluding discussions, a motion was made by Mr. Moore to approve the removal of requiring On-Site Systems to submit a \$100,000.00 Letter of Credit to the Planning Commission for review and approval on a yearly basis. Mrs. Trousdale seconded. With a roll call vote being cast, the motion carried with four (4) in favor and three (3) against. (For the record the following votes were cast: In Favor: Eugene Bond, Rick Alexander, Earl Moore, Patty Trousdale; Against: Jerry Erwin, Dewey Gray, Joe Reischman.)

OTHER BUSINESS - Special Exceptions for Mining in Maury County - Distributing to Commission members and staff a narrative outlining mining activities permitted as Special Exception Uses in several of Maury County's zoning districts, County Commissioner Joe Reischman requested the staff to study these "Special Exception Use" categories as they relate to mining activities and to report back to the Commission with new language, suggestions and/or recommendations for the removal of these "Special Exception Use" categories.

With there being no further discussion, a motion was made by Mr. Alexander to adjourn. Mr. Moore seconded and the meeting was so adjourned at 6:35 p.m.

Respectfully Submitted,



Cyril Evers, Chairman